

BOARD LETTER – SUMMARY SHEET
HEALTH AND MENTAL HEALTH SERVICES CLUSTER

AGENDA REVIEW	12/17/14
BOARD MEETING	1/6/15
SUPERVISORIAL DISTRICT	All
DEPARTMENT	Department of Mental Health (DMH)
SUBJECT	APPROVAL TO ENTER INTO A PHARMACY AGREEMENT WITH BELVILLE ENTERPRISES, INC., DBA RON'S PHARMACY SERVICES FOR FISCAL YEAR 2014-15
PROGRAM	Office of the Medical Director
DEADLINES	
COST & FUNDING	The total estimated cost of this Agreement in FY 2014-15 is \$331,325, which is fully funded by FY 2011 Realignment, 2011 Realignment AB109 and State MHSA revenue, and is included in the DMH's FY 2014-15 Final Adopted Budget. Funding for future fiscal years will be requested through DMH's annual budget process. There is no increase in net County cost associated with the above recommended actions.
PURPOSE OF REQUEST	Board approval of the recommended actions will provide a new Agreement with Belville Enterprises, Inc., dba Ron's Pharmacy Services to dispense medications to clients who are waiting for placement at Alpine Special Treatment Center, Inc. (ASTCI). ASTCI is a locked mental health rehabilitation and transitional care facility, whose mission is to provide an environment where adults with mental illness transition from acute crisis to stabilization. ASTCI serves DMH clients that were discharged from Los Angeles County (LAC), State, and private hospital psychiatric units, alleviating the impacted units of LAC and State facilities by enabling the flow of mental health consumers from higher levels of care to lower levels of care. Furthermore, Board approval will allow the Department to amend the agreement as the need arises. The short term of this Agreement is necessary so that DMH may dispense medication to clients until DMH concludes a Request for Proposals (RFP) solicitation bid process for Pharmacy Benefit Management (PBM) services. It is anticipated the RFP for PBM services will conclude in Fiscal Year (FY) 2014-15, at which time the PBM Company will assume responsibility for administration of DMH's prescription drug program.
SUMMARY/ ISSUES (Briefly summarize program and potential issues or concerns. Identify changes, if any, to level of funding or staffing; how funding will be utilized and why best use; prior accomplishments; and for BLs involving contracts, also note changes to the contract term.)	<p>The execution of this Agreement is a critical component in the delivery of mental health services, as prescribed medications play a vital role in the treatment of mental health clients. Psychiatrists in contracted and directly operated mental health programs write prescriptions which are filled by local pharmacies.</p> <p>DMH clinical and administrative staff will continue to administer and monitor contractors' adherence to the agreements to ensure quality services are provided to clients. As mandated by your Board, DMH evaluates the performance of all contractors on an annual basis to ensure contractors are in compliance with all contract terms and performance standards.</p> <p>This Agreement will enable DMH to provide contracted pharmacy services to LAC consumers who are waiting for placement at ASTCI, until the pending RFP solicitation process for PBM services concludes. Upon implementation of services by the new PBM Company, DMH will terminate its pharmacy agreements with the existing DMH network of pharmacy providers.</p>
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